

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of the Application of Kansas                     )  
Gas Service, a Division of ONEOK, Inc.                     )  
for Approval of a Hedge Program for Gas                     )     Docket No. 05-KGSG-580-HED  
Purchased for the Winter Heating Season.                     )

**RESPONSE OF CITIZENS' UTILITY RATEPAYER BOARD TO KGS MOTION**

Comes now the Citizens' Utility Ratepayer Board (CURB) and files this response to the motion filed on June 20, 2022, by Kansas Gas Service, a division of ONE Gas, Inc., ("KGS" or "the Company") for approval by the Kansas Corporation Commission ("Commission") to increase the Company's annual budget for its Gas Hedge Program ("Hedge Program") from \$13.3 million to \$19.9 million. In response, CURB states:

1. CURB agrees with the limited increase in KGS's Hedge Program budget for the reasons stated in the motion. Indeed, CURB recognizes that, due to current market conditions, it may be necessary for KGS to spend up to the \$19.9 million cap in order to protect its customers from rate volatility. Therefore, CURB supports the referenced motion.

2. However, CURB points out that its agreement to the limited increase in the Hedge Program budget is for an increase to the cap and is not intended to suggest a spending target. CURB believes that KGS should attempt to hedge at the least cost practical in order to keep hedging costs reasonably low, and that hedging plans should be implemented with the goal of mitigating price volatility rather than to attempt to "beat the market." CURB recognizes that gas markets have changed substantially within the last year from historical gas markets and CURB desires to work with the Commission Staff and KGS to ensure that ratepayers are protected from price volatility at reasonable costs in future years.

WHEREFORE, CURB requests that the Commission take CURB's comments into consideration in granting the motion filed on June 20, 2022, by KGS for Commission approval of an increase to the Company's Hedge Program from \$13.3 million to \$19.9 million.

Respectfully submitted,



David W. Nickel, Consumer Counsel #11170

Todd E. Love, Attorney #13445

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Citizens' Utility Ratepayer Board

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## VERIFICATION

STATE OF KANSAS

)

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SS:

COUNTY OF SHAWNEE

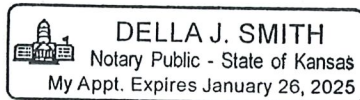
)

I, David W. Nickel, of lawful age and being first duly sworn upon my oath, state that I am an attorney for the Citizens' Utility Ratepayer Board; that I have read and am familiar with the above and foregoing document and attest that the statements therein are true and correct to the best of my knowledge, information, and belief under the pains and penalties of perjury.

David W. Nickel

David W. Nickel

SUBSCRIBED AND SWORN to before me this 30<sup>th</sup> day of June, 2022.



  
Notary Public

Notary Public

My Commission expires: 01-26-2025.

**CERTIFICATE OF SERVICE**


05-KGSG-580-HED

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was served by electronic service on this 30<sup>th</sup> day of June, 2022, to the following:

CARLY MASENTHIN, LITIGATION COUNSEL  
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A handwritten signature in black ink, appearing to read 'Della Smith', written over a horizontal line.

Della Smith  
Administrative Specialist